

NEW GIFT LIMITS

(Effective April 12, 2005)

The Rhode Island Ethics Commission has amended its Gift Regulation (Commission Regulation 5009) to substantially reduce the value of gifts that public officials and employees may accept from anyone who has an interest in a decision that the official or employee is authorized to make.

WHAT GIFTS ARE PROHIBITED?

- Gifts of cash, debt forbearance or debt forgiveness.
- A gift having either a fair market value or actual cost greater than **\$25**.
- Gifts from a single interested person or entity in one calendar year having an aggregate fair market value or aggregate actual cost greater than **\$75**.

TO WHOM DOES THE GIFT REGULATION APPLY?

- State Elected and Appointed Officials, and State Employees.
- Municipal Elected and Appointed Officials, and Municipal Employees.

DOES THE GIFT REGULATION APPLY TO GIFTS RECEIVED FROM ANYONE?

-No. The Gift Regulation only applies to gifts received from an "interested person." An interested person is a person or a representative of a person or business that has a financial interest in a decision that the public official or employee is authorized to make or participate in, as part of his or her official duties.

ARE THERE EXCEPTIONS?

- If the interested person receives lawful consideration of equal or greater value in return, then the transfer is not considered to be a gift.
- If the gift is *immediately* returned or given to a bona fide charity with no benefit accruing to the public official or employee, then the transfer is not considered to be a gift.
- Lawful campaign contributions are not subject to the gift regulation.
- Certain *services* to assist an official or employee in the performance of *official duties* and responsibilities are not considered to be gifts.
- A plaque or similar item in recognition of service to a charity or field of specialty.
- A gift from a family member who is also an interested person.
- A gift that is given because of the recipient's membership in a group, the majority of whose members are not subject to the Code of Ethics, and the same or equivalent gift is given or offered to the other members of the group.

IS THERE STILL A REPORTING REQUIREMENT?

-Not for gifts received on or after the effective date of April 12, 2005. Gifts received prior to the effective date are still subject to the reporting requirement. Accordingly, you may still be required to file a gift disclosure form in January 2006 covering gifts received from January 1, 2005 through April 11, 2005.

MORE QUESTIONS?

Call the Ethics Commission at (401) 222-3790, or write to: RI Ethics Commission, 40 Fountain Street, Providence, RI 02903.